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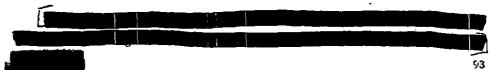
CHAPTER VII

SERVICES OF COMMON CONCERN: THE COLLECTION OF OVERT INTELLIGENCE

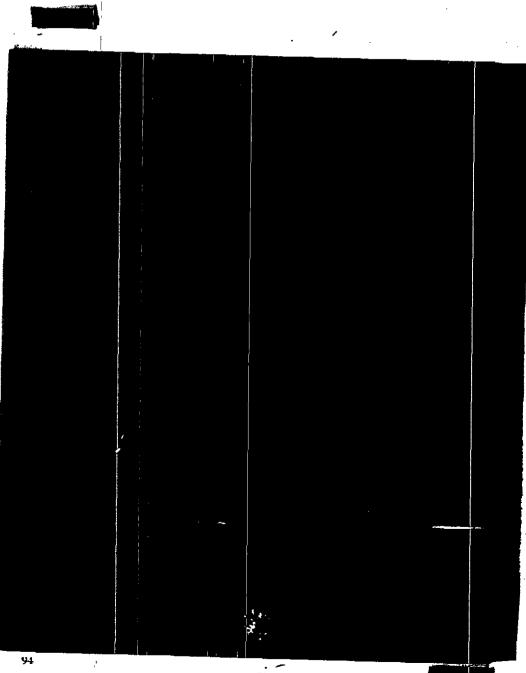
The Office of Operations, under an Assistant Director, performs a central common service through the collection of overt intelligence by three essentially distinct means: the Contact Branch is responsible for the exploitation of business concerns and other non-governmental organizations and individuals in the United States as sources of foreign intelligence information; the Foreign Broadcast Information Branch is responsible for all federal monitoring of foreign propaganda and press broadcasts; and the Foreign Documents Branch exploits foreign language documents and foreign periodicals and press for intelligence purposes.

CONTACT BRANCE

National Security Council Intelligence Directive No. 7 (See Annex No. 13) provides that "The Central Intelligence Agency shall be responsible for the exploitation, on a highly selective basis, within the United States of business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information". The directive also establishes the general rules under which these activities are to be conducted and provides for the ways in which the needs of the other intelligence agencies are to be met. This represents an important step forward toward tapping a valuable source of intelligence and overcoming the difficulties encountered during World War II, when procedures for this purpose had to be improvised and the overlapping interests of a number of agencies reconciled.

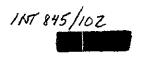


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The Contact Branch seems to have successfully initiated the handling of these problems and to have gained the confidence of the agencies it is serving. Through its Washington headquarters and fourteen field offices in the United States it has developed an organization to exploit the local contacts on which this method of collecting intelligence depends. A good start has been made in setting up these offices, acquainting the field representatives with the requirements of the consumers and solving the problems involved in establishing useful contacts and developing the means of exploiting them. Through the assignment to some field offices of liaison representatives from the Service intelligence agencies an attempt has been made to satisfy their special requirements and take advantage of their contacts.

At the present time, about one-half of the intelligence collection activity of the Contact Branch is spontaneous, that is, it is not in response to specific intelligence requests submitted by the consumer agencies. In part, this is due to the fact that the Branch is not yet fully acquainted with the requirements of its consumers, and, conversely, the consumers do not clearly appreciate the capabilities and limitations of the Branch. It is also a result of the general lack of coordination of intelligence operations which has been noted elsewhere in this report.

There is little systematic inter-agency planning of intelligence requirements and of the best ways of satisfying these requirements. The collectors of intelligence are often in the position of having to guess what is wanted and making their own decisions as to what is important. However, the Contest Branch has made a particularly strong effort to bring its field collectors in the constructs of its intelligence together so that they might better under-

95

A further difficulty arises from the administrative arrangements in the Central Intelligence Agency whereby control over the dissemination of the reports of the Contact Branch is exercised by the Office of Collection and Dissemination which does not have intimate knowledge of the dissemination problems of the Branch. This also applies to the handling of the intelligence requests submitted by verious agencies, as these, too, must go through the Office of Collection and Dissemination. As a result of these procedures, the Contact Branch is to some extent impeded in its efforts to be in intimate touch with the agencies it serves and cannot always control the handling of sensitive materials it collects so as to protect its own sources.

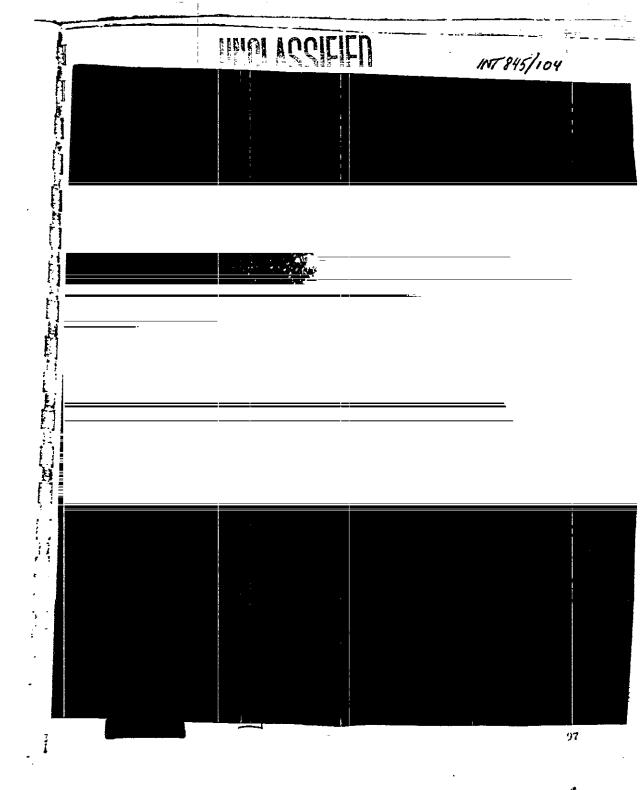
It is not accurate to regard the work of the Contact Branch as entirely overt in contrast to the covert collection by the Office of Special Operations. Although in some cases the information which it receives may be readily obtainable without security restrictions, in other cases highly confidential relations with the outside contacts are required and the greatest discretion must be exercised in obtaining the desired intelligence.

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do not wish to be embroiled in anything that resembles espionage despite their eagerness to place at the disposal of the Government information which they acquire in their normal course of business. The Contact Branch, therefore, has a peculiar problem, and it is necessary that its entire relationship with private organizations and individuals be conducted with complete security as well as with discretion and tact.

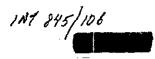
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The proper exploitation of these possibilities, either for purposes of simple information or for more complicated long-term operations, has been handicapped for various reasons. As a nation, we have not yet fully appreciated the intelligence possibilities to be exploited at home. In the case of fereign nationals and groups we are still confused as to the respective claims of "security" and "intelligence" and have not yet clearly worked out the proper relationship between the Federal Bureau of Investigation on the one hand and the Central Intelligence Agency, the State Department and the Service intelligence agencies on the other hand.

The Central Intelligence Agency and the other intelligence agencies have not developed coordinated and effective policies and procedures for the exploitation of intelligence in this important field. The charter of the Central Intelligence Agency in this respect, as prescribed in National Security Council Intelligence Directive No. 7, is broad, and includes the exploitation of "nongovernmental organizations and individuals as sources of foreign intelligence The Federal Bureau of Investigation, however, has a major interest in foreign individuals and groups in the United States because of the possible security implications. The Bureau has in its hands considerable information concerning many such individuals and groups, but this information has been obtained primarily with security rather than intelligence considerations in mind and is not normally given the kind of interpretation or dissemination that intelligence requires if it is to be properly used. Moreover, the Federal Bureau of Investigation is, in cases where it has a security interest, reluctant on security grounds to have intelligence exploitation by outside agencies. The general result of this situation is that an important source of intelligence is not being fully exploited. Part of the remedy lies, as pointed 98



out in Chapter IV, in a general review and improvement in the handling of intelligence derived from domestic sources so that it is incorporated as part of the broader intelligence picture.

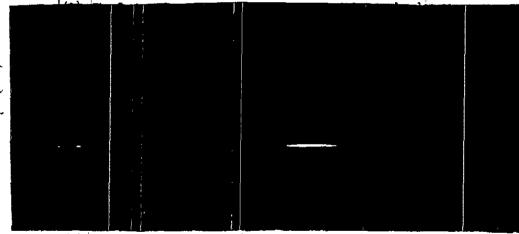
Although the Contact Branch has the responsibility within the Central Intelligence Agency, and more generally on behalf of all the intelligence agencies, to develop foreign intelligence from foreign contacts in the United States, both the Office of Special Operations and the Office of Policy Coordination are also very much interested in some of these same groups and individuals who may provide important assistance for the conduct of secret intelligence and secret operations abroad. It is, therefore, important that common procedures be developed for handling these cases and that appropriate arrangements be worked out, possibly through the Contact Brench, with the Federal Bureau of Investigation and with the State Department and Service agencies to the extent of their interest. In addition, the Contact Branch could, wherever appropriate, serve the other two Offices as an intermediary with the foreign groups and individuals. It would also seem that the present procedure whereby correspondence exchanged between the Contact Branch and the Federal Bureau of Investigation goes through the Executive for Inspection and Security of the Contral Intelligence Agency could be simplified so that the Contact Branch could deal directly with the Eureau.

This whole question of the exploitation for intelligence purposes of foreign groups and individuals in the United States is a clear example where the reconstituted Intelligence Advisory Committee, with the Federal Bureau of Investigation as a newbor, should establish principles and rules for coordination. We recommend that in this way further efforts be made to work out an agreed procedure which would permit adequate exploitation of foreign intelligence



sources in the United States while taking into account the legitimate security concern of the Federal Bureau of Investigation.

The close relationship between the work of the Contact Branch, Office of Special Operations and Office of Policy Coordination is the basis for our recommendation that their activities be closely integrated in a new Operational Division. (See below, page 116). This relationship can be summarized as follows:



- (3) Both the Contact Branch and the Office of Special Operations are field intelligence collection operations and are, to a large extent, guided by the same collection requirements of the various Government agencies. They should serve their consumers in a coordinated manner;
- (4) Contact Branch has, to some extent, the same security problems of protecting source as the Office of Special Operations;
- (5) There is a closer relationship between the Contact Branch and the Office of Special Operations and Office of Policy Coordination than there is between the Contact Branch and the other two branches with which it is now associated under the Office of Operations.



FOREIGN BROADCAST INFORMATION PRANCH

Under National Security Council Intelligence Directive No. 6 (See Annex No. 12), the Central Intelligence Agency is assigned the mission of monitoring all foreign propaganda and press broadcasts and disseminating the resulting intelligence. These duties are carried out by the Foreign Broadcast Information Branch (FBIB) of the Office of Operations which conducts actual monitoring operations through two stations located in this country (on the East and West coasts respectively), one station in Cairo (being moved to Cyprus); one in Tokyo and one in Havaii (being moved to Okinawa). There is also an office in London that processes and edits material from British monitoring in accordance with reciprocal arrangements with the British, whereby they receive our coverage on the Middle Fast and South America and in return furnish their coverage for Western, Middle, and Central Europe.

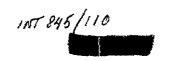
Approximately 2,000,000 words are monitored daily by these stations, of which 150,000 are cabled to this country after local editing. Upon receipt here, this material is re-edited and published as a daily summery of approximately 90,000 words. In addition, weekly summaries and special digests on particular topics are prepared. A considerable essent of data is produced for the "Voice of America" activity of the State Department. Most of this monitoring work is routine, but the Branch also receives from various agencies statements of their continuing requirements as well as specific requests.

In general, it can be said that the Foreign Broadcast Information Branch performs a non-controversial common service which is well received by the concret agencies. If there is any reservation as to the usefulness of its work, it is that the material is not analyzed or evaluated prior to dissemination;

it is morely compiled and presented factually. However, this seems to be a proper arrangement although there should be appropriate machinery outside the Branch for taking the monitoring reports and interpreting them in light of other related intelligence. This would seem to be a proper function of the appraisers and producers of intelligence, although the Foreign Broadcast Information Branch, possessing as it does the full coverage, could continue to make summaries of the traffic it monitors. If, as was suggested in Chapter VI, a Research and Reports Division is created for research on questions of common interact, this might be the proper place where this material could be further analyzed and appropriate studies prepared. The political analysis, however, should be done in the State Department.

The juriediction of the Foreign Broadcast Information Branch does not include the monitoring of clear text Morse traffic, except for press traffic. This field is primarily a responsibility of the communications intelligence agencies operating under coordination of the United States Communications Intelligence Board. We cannot say whether it is being adequately covered as we have not examined in any detail the communications intelligence activities of the Covernment.

We have experienced some difficulty in arriving at a recommendation as to where the Foreign Broadcast Information Branch should be placed in view of our recommendations for the dispersal of the other functions of the Office of Operations. While the work of the Branch is essentially an operating function, it is also a purely overt one, and this militates acmewhat against placing it in the proposed Operations Division which would be concerned almost exclusively with covert operations. On the other hand, the fact that the Branch is



operational argues against placing it in the proposed Research and Reports Division which would be engaged in performance of purely static functions. On balance, we incline to the view that, as between the two, the Operations Division, with its greater facilities for handling communication operations in general, is the preferable place within the Central Intelligence Agency. Further, it is conceivable that the facilities of the Foreign Broadcast Information Branch may, at some future time, prove useful to the proposed Operations Division in its covert activities. Of course, the product of the Branch should be immediately available to the new Research and Reports Division for analysis.

FOREIGN DOCUMENTS BRANCE

The third Branch of the Office of Operations is the Foreign Documents Branch which has the responsibility for exploiting foreign language documents and foreign periodicals and press for intelligence purposes. Unlike the Foreign Broadcast Information Branch and the Contact Branch, which operate by virtue of charters accorded the Central Intelligence Agency by National Security Council Intelligence Directive Nos. 6 and 7, respectively, the Foreign Documents Branch has no such charter and is, therefore, not recognized officially as a unique common scivice. The other departments and agencies do some of their own translations of foreign language documents, etc., but also rely on the Foreign Documents Branch.

The Foreign Documents Branch is engaged in completing its exploitation of large quantities of reterials captured during the recent war. In addition, it monitors current press and periodical publications and besides these routine translations it occasionally translates specific documents upon request. It also maintains for the various consumer agencies a continuing program of

abstracting from poriodical publications specific materials in such fields as electronics, transportation, etc.

There is a constant and large flow of production from the Foreign Documents Branch in the form of extracts from the foreign press; current periodical abstracts, both general and technical, dealing with items of intelligence value contained in Soviet and other foreign periodicals; an industrial card file record for inclusion in the Foreign Industrial Register of the Office of Collection and Dissemination; biographical intelligence reports; a bibliography of Russian periodicals, special accession lists and various translations of current material to meet continuing requirements.

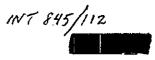
Inasmuch as it is virtually impossible to have a large pool of expert translators who are at the same time specialists in various fields, it is most important that the work of an agency such as the Foreign Documents Branch be performed in close relationship to and under the constant guidance of the consumer agencies. It would, therefore, seem that instead of being associated in the Office of Operations with the Contact Branch and the Foreign Broadcast Information Branch, with which it has little in common, it would be preferable for the Foreign Documents Branch to be a part of the proposed Research and Reports-Division suggested in Chapter VI.

CONCLUSIONS AND RECOMMENDATIONS

- (1) The Office of Operations consists of three distinctive activities, which represent useful and recognized functions in their own field but have no particular relation to each other.
- (2) The Contact Branch should be integrated with the Office of Special Operations and Office of Policy Coordination under single over-all direction (Operations Division) within the Central Intelligence Agency.







- (3) More active efforts should be made to exploit intelligence from foreign nationality groups and foreign individuals in the United States, and steps should be taken by the Director of Central Intelligence and the Intelligence Advisory Committee to coordinate the activities of the various agencies in this field.
- (4) The Foreign Documents Branch should be made part of the proposed Research and Reports Division if one is created.
- (5) If the Foreign Broadcast Information Branch remains a part of the Central Intelligence Agency, it should probably be administered by the new Operations Division, but its product should be currently available for analysis in the new Research and Reports Division.

